GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:229
ANSWERED ON:09.08.2005
GOLD POLICY
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the present policy of the Government for the import of Gold;

(b) whether the import policy is proposed to be liberalised;

(c) if so, the details thereof and the reasons therefor;

(d) whether the Government proposes to allow a large number of private importers and jewellers to import Gold directly;

(e) if so, the details thereof;

(f) the reasons for decentralising Gold Import regime; and

(g) names of the designated agencies that are currently allowed to import Gold bars?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

(a)to(g): In terms of the Foreign Trade Policy, the import of non- monetary Gold is free subject to RBI guidelines. The Nominated Agencies allowed to import gold are MMTC Ltd., Handicraft and Handloom Export Promotion Council (HHEC), State Trading Corporation (STC), the Project and Equipment Corporation of India (PEC), Five Star Export Houses and Fourteen banks nominated by the Reserve Bank of India. Export Oriented Units and Units in the Special Economic Zone who are in the Gems and Jewellery sector are permitted to import gold directly.

A proposal is under consideration of the Ministry of Finance for enlarging the scope of the entities allowed to import gold so as to include companies with a net worth of Rs. 25 Crores in the jewellery business in addition to the nominated agencies & Five Star Export Houses.

The liberalization of the Gold Import Policy will contribute towards making India a hub of manufacturing activity for gold products. A Committee has been constituted by the Ministry of Commerce to examine the regulatory structure of the gold industry and to recommend appropriate Policy measures required to develop India as a gold manufacturing and trading hub.